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C O N F I D E N T I A L SECTION 01 OF 02 HANOI 000464

SIPDIS

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TAGS: [PREL](#) [PBG](#) [T](#) [PHSA](#) [VM](#)
SUBJECT: SOME IN GVN APPARENTLY UNWORRIED ABOUT SITUATION
IN SOUTH CHINA SEA

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Classified By: Political Counselor Brian Aggeler.
Reasons 1.4 (b) and (d).

11. (C) Summary. An MFA expert on maritime issues recently described the situation in the South China Sea in 2008 as "stable and quiet." He expressed no concern about the possibility of a reoccurrence of last year's fishing and oil drilling disputes with China. On the other hand, he focused on the Philippines' draft legislation to extend its maritime boundary which, if approved, he said would disrupt the status quo in the region. This official's remarks were a far cry from GVN requests during the past six months for U.S. engagement on the South China Sea issue and suggest that at least certain circles within the GVN are not concerned about a repeat of last summer's heavy-handedness by the Chinese. End Summary.

VN-CH Discussions Focus on Land Border

12. (C) On April 18, poloff discussed South China Sea-related issues with MFA Committee on Frontier Issues, Marine Affairs Department Deputy Director Nguyen Manh Hien. According to Hien, South China Sea-related issues were not raised during the April 7-17 Vietnam-China Demarcation Committee meeting. The meeting, held in Ho Chi Minh City, was the 25th chairman-level meeting of this body, whose work focuses exclusively on bilateral land border issues. Hien explained that there are two additional bilateral mechanisms for addressing bilateral maritime issues, committees on the Gulf of Tonkin area and the South China Sea, respectively. The Tonkin Gulf committee completed its fourth meeting in January in Beijing and Hien thought another round will take place later this year, based on an agreement to hold bi-annual meetings.

13. (C) Concerning the expert-level bilateral South China Sea committee, eleven rounds have been completed, but the most recent was in 2006. Since that time, the head of the Chinese delegation has been "too busy" to meet. Hien said the GVN has a standing offer to meet with its Chinese counterparts on this committee. Since 2006, South China Sea issues have been discussed at various meetings between Vietnamese and Chinese officials, but no meetings have been dedicated exclusively to those issues. Hien said that it is "easy to understand the lack of progress" on South China Sea issues since the focus of both governments has been on resolving land border issues.

14. (C) Hien continued that there have been no negative developments in the South China Sea situation since the beginning of 2008 and, except for the possible Philippines' claim (discussed below), the situation has been "stable and quiet." In his opinion, there will be no obstacles this year that would keep oil companies from conducting exploration and drilling in Vietnamese blocks, except for those caused by bad

weather.

Philippines' Expanded Claim has GVN's Attention

15. (C) Hien continued with a lengthy description of draft bill 3216 in the Philippines' legislature that would extend that country's territorial claim in the South China Sea beyond its current line. By recognizing proposed baselines in the Spratly Islands and Scarborough Shoal, the bill, if passed, would extend the Philippines' 200 mile zone into Vietnamese waters. Hien said the 2002 ASEAN Declaration on the Conduct of Parties in the South China Sea ("DOC") is "still out there," so any expanded claim by the Philippines would be "hard for the GVN to accept." He mentioned that the GVN has raised the matter with the Philippines' government, urging it to "not further complicate the situation in the region," but that internal Philippines' political issues make it "difficult for the leaders to make a decision." Hien also noted that China was "most concerned" about the Philippines' action to extend its border.

16. (C) On the subject of the Joint Marine Seismic Undertaking ("JMSU") between the Philippines, China and Vietnam, Hien said the subject area is small and limited to an area claimed by the three countries. He acknowledged that there are different opinions in the Philippines about JMSU's territorial implications, but offered that the JMSU is "simply a scientific issue" and cited the Convention on the Law of the Sea ("CLOS") as encouraging countries to find ways to cooperate, especially in areas where there are overlapping interests. Hien thought the JMSU should be carried out to completion in order to build trust among the parties.

17. (C) Concerning Vietnam's preparation to file its

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continental shelf claim under the CLOS, Hien said Vietnam lacks necessary technology so the process is difficult. Despite the difficulties, he was certain Vietnam's claim would be ready for submission before the May 2009 deadline.

Comment

18. (C) Although Hien has been a responsive interlocutor on South China Sea issues in the past, during this meeting his only interest was to express GVN concern about Philippines' territorial ambitions. Questions about South China Sea developments with China, prospects for the upcoming drilling season, reaction to the JMSU scandal in the Philippines, and an MFA outreach to U.S. maritime experts for advice were brushed off with one line responses. In contrast, Hien waxed at length about the proposed Philippine's territorial claims as a violation of the DOC status quo. There was no trace of previous appeals by GVN officials for U.S. engagement to counter Chinese heavy-handedness in the South China Sea. This suggests that at least some GVN circles do not currently expect China to disrupt the status quo in that area or, if they do, they do not look to the United States for a solution. End Comment.

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